



FAIR SHOT DC: **ECONOMIC RECOVERY INVESTMENT PLAN**

June 2021



DMPED ECONOMIC RECOVERY PILLARS



**Housing
affordability and
36,000 by 2025**



**Equity in food
access**



**Supporting small
businesses and
creating
hospitality jobs**



**Restoring Downtown
vibrancy and job
growth**

HOUSING AFFORDABILITY AND 36,000 BY 2025

	Impact	Funding	Agency
Investment in the Housing Production Trust Fund (HPTF) and Local Rent Supplement Program (LRSP): <ul style="list-style-type: none"> A \$400M investment (in FY21 and FY22) in HPTF will deliver an estimated 2,700 units of affordable housing over the next few years. LRSP project-based vouchers supplement housing costs for residents with extremely low income (<30% MFI). Combined with HPTF, it enables creation and preservation of deeply affordable units. Faith Based Housing Initiative: \$500,000 pilot program that will offer technical assistance and forgivable loans to faith-based institutions, such as churches, interested in developing affordable housing on their assets Accessory Apartments Demonstration: Will provide grants and low-cost loans to eligible homeowners to create accessory apartments, to both create new housing and build wealth; complemented by newly expanded support for homeowners at DCRA 	~2,700 Affordable units ~1,100 Deeply affordable units ~6K - 29K Potential units** ~300 Potential units per year	\$400M \$42M* \$1.5M	DHCD DHCD DHS DCHA DHCD DHCD OP DCRA
Housing Preservation Fund (HPF): Additional \$17M to the HPF, which provides short-term bridge acquisition and pre-development financing. Includes \$5M to support limited equity co-ops and others with first right to purchase transactions. Leveraged 3:1 for a total investment of \$68M	1,500+ Affordable units preserved	\$17M	DHCD
Acquisition for Affordable Housing: Funds for purchasing and redeveloping properties to create temporary and permanent affordable housing, including \$2M to Douglass Community Land Trust		\$52M	DHCD DHS
STAY DC: Will provide \$352M in emergency rental assistance to households unable to pay rent and utilities due to the COVID-19 pandemic	20,000+ Renters supported	\$352M	DHS DMHHS DHCD DMPED

*Investment in new project- and sponsor-based vouchers, FY22-25

**Development potential of parcels owned by faith-based institutions, based on Urban Institute analysis

HOUSING AFFORDABILITY AND 36,000 BY 2025: PLANNING AND DEVELOPMENT

Investment

New York Avenue Vision Framework: First step to develop a multi-year strategy to guide redevelopment for the area. New York Avenue represents one of the District’s largest opportunities to produce new affordable housing for residents, as well as to spur job creation.

Ward 3 Planning Analyses: The District is the first locality to establish housing production goals by neighborhood. In partnership with local Ward 3 communities, these planning analyses will identify the best ways to use additional density provided by the recently approved Comprehensive Plan . Friendship Heights, Tenleytown and Cleveland Park and Woodley Park.

Capital Projects: DMPED’s real estate development portfolio will deliver new affordable housing and needed amenities to neighborhood residents to increase equitable access to resources opportunities. Significant projects include:

- Hill East

Northwest One (33 K St NW)

Barry Farm

Park Morton
- St. Elizabeths East

McMillan Site Redevelopment

1600 U Street NW

Impact

Funding

Agency

20,000
Potential units*

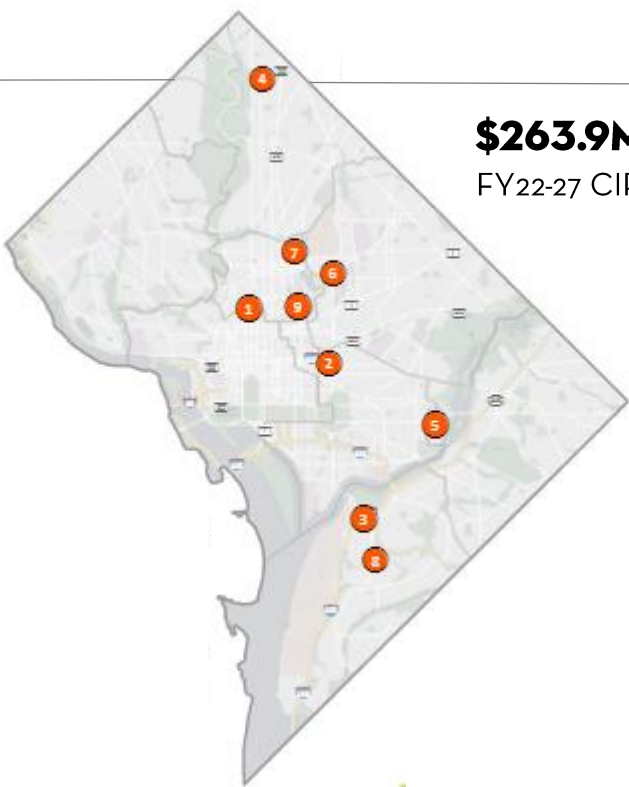
4,000
Affordable units*

\$1.035M

OP

\$263.9M
FY22-27 CIP

DMPED



*Based on initial estimates. Further analysis will be conducted based on planning effort outcomes.

SUPPORTING SMALL BUSINESSES AND CREATING HOSPITALITY JOBS

Investment	Impact	Funding	Agency
<p>Reinvigorate Small Business: Small businesses have been hit hard by the pandemic, a situation made worse by their frequent lack of access to financing and technical support. This investment will support the recovery and growth of DC small businesses:</p> <ul style="list-style-type: none"> • Small Business Coaching and Technical Assistance Hub - \$6.9M in FY22 • Small and Medium Business Growth Program - \$8M in FY22 • Inclusive Innovation Equity Impact Fund - \$2M in FY22 • Shop in the District Campaign - \$100K in FY22 • Expansion of ASPIRE and Dream Grants - Additional \$475K in FY22 • DC LEAF, DCAP, NPF and Great Streets - \$7.2M in FY22 • State Small Business Credit Initiative 	<p>300+ Businesses supported</p> <p>Fee Relief</p> <ul style="list-style-type: none"> - Permanent reduction of business fees to \$99 - including formation filing fees and general business license fees - Two-year reduction of occupational and professional license fees to \$99 	<p>\$33M FY22-25</p>	<p>DMPED</p>
<p>Hospitality and Tourism: In 2019, DC attracted 25 million visitors, generating over \$8 billion in spending and directly supporting ~78 thousand jobs.² Accelerating the return of those visitors is therefore imperative to DC's economic recovery.</p> <ul style="list-style-type: none"> • Outdoor activations at cultural venues - \$901K in FY21 • Tourism marketing campaign (Destination DC/Events DC) - \$5M in FY22 • Bridge Fund for Art Venues - \$8M in FY22 • Go-Go support - \$900K in FY22 • BID Vibrancy, Placemaking & Recovery Fund (Anacostia & SW) - \$10M in FY22 	<p>~2,100 Jobs created/retained</p> <p>~\$250M+ Additional tourism spending</p>	<p>\$34M FY22-25</p>	<p>DMPED</p> <p>OCTFME</p> <p>MOCA</p> <p>MONC</p>

1. Arizona State, Doing Business North America Database
2. Destination DC, 2019 report

EQUITY IN FOOD ACCESS

Investment

Food Access Fund: This new food-focused program of the Neighborhood Prosperity Fund will provide capital investment to accelerate small, medium, and large grocery stores in Wards 7 and 8. The recently launched **Nourish DC Fund** will expand the local food ecosystem to support small fresh food retailers and other providers through grants, loans, and technical assistance.

Impact

162,000+
Residents reached by increased food access

Funding

\$58M
FY21-22

Agency

DMPED
OP

3

Only 3 out of 79 of the full-service grocery stores in DC are located in Wards 7 and 8

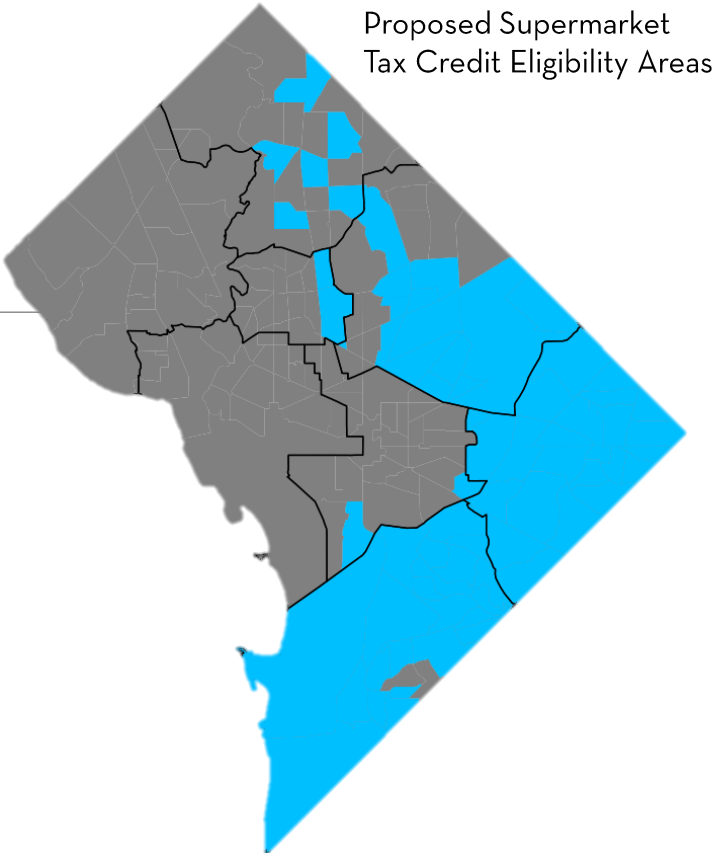
65%

Share of Wards 5, 7, & 8 that have low food access paired with low transit access (162k residents)

Focusing the Supermarket Tax Credit on Areas with Greatest Need

The Budget Support Act includes changes to the Supermarket Tax Credit that will focus eligibility to areas most in need of grocery stores, expand support to more fresh food retailers, and add community engagement requirements for grocers. Areas will be eligible if they meet any of the following requirements:

1. **Low income and low food access** (33% of residents live >0.5 miles from a full-service grocer)
2. **20% or more of residents participate in SNAP** (Supplemental Nutrition Assistance Program) or other public benefits
3. **Qualified Opportunity Zones** -low-income census tracts designated by the District in 2018 as key areas of the city needing economic investment.



RESTORING DOWNTOWN VIBRANCY AND JOB GROWTH

Investment

Reimagining Public Spaces. DC's employment areas have suffered as office workers have stayed home during the pandemic. This investment will enhance resident quality of life by activating public spaces for dining, recreation, creating new centers of public activity, and offsetting the decline in office-related foot traffic.

- Open Streets for People - \$7.2M in FY22
- Recurring Street Closure Events (All 8 Wards) - \$1.7M in FY22
- Festival fees waiver -- \$3M in FY22

Next Generation Industry Promotion. This investment will enhance DC's competitiveness in attracting new, high-growth companies to by creating a dedicated funding source for business attraction programs, as well as investing in additional staff and analytical tools to supplement DC's business retention, expansion, and attraction efforts, with funding over three years.

- **Employment Center Vitality and Local Jobs Creation Fund** - \$10M in FY22
- **Business Retention and Economic Attraction Infrastructure** - \$600K in FY22
- **BID Recovery Vibrancy & Placemaking Fund:** Golden Triangle Innovation District - \$4M in FY22

Ease of Doing Business. To make the District a friendlier place to do business, Mayor Bowser's proposed budget include funds for a **tax revision commission** that will assess the tax code through an equity lens, as well as a centralized business portal, increased permit reviewers and inspectors, and plan for overhaul of licensing and permitting system.

Impact

~600

Jobs created

Additional Public Space Investments:

- Dupont Crown Park Decking Project - \$27M in FY22
- K Street Transitway by 2023 - \$116M in FY22
- Improvements to pedestrian spaces and bikes lanes

Funding

\$48M

FY22-25

Agency

DDOT
OP

~3,000

Direct jobs created

\$32M

FY22-25

DMPED

~9,000

Indirect jobs created

~2,500

Direct jobs created

\$19M

FY22-25

DMPED
DCRA
OCTO

